GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2907
ANSWERED ON:20.03.2017
Viability Gap Funding for Pipeline Projects
Fatepara Shri Devajibhai Govindbhai

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the State Government of Gujarat has requested for Viability Gap Funding for successful completion of cross country pipeline projects; and
(b) if so, the details thereof and the action taken by the Government thereon?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a) & (b) : Two Cross Country pipeline projects, viz. Mallavaram-Bhopal-Bhilwara-Vijaypur Pipeline (MBBVPL) and Mehsana-Bhatinda-Jammu-Srinagar Pipeline (MBJSPL) are being implemented by Gujarat State Petronet Limited (GSPL) led consortium (GSPL-52%, IOCL − 26%, BPCL − 11% and HPCL − 11%), through two separate Special Purpose Vehicles (SPVs) viz., GSPL India Gasnet Limited (GIGL) for developing a 2100km long MBJSPL project at the cost of Rs. 6400 crore and GSPL India Transco Limited (GITL) for developing a 1800 km long MBBVPL project at the cost of about Rs. 6500 crore. Though both these projects have been awarded by Petroleum and Natural Gas Regulatory Board (PNGRB) through bidding route, the Government of Gujarat requested this Ministry in October, 2016 to provide Viability Gap Funding to GSPL led consortium's SPVs. Keeping in view the Government's focus on promotion of gas based economy and development of gas infrastructure including natural gas grid in the country, this Ministry has recommended the request of Government of Gujarat to Ministry of Finance.
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